

CSA #41 - Fitch Mountain Water District
FY 2015-16 / FY 2016-17 BUDGET
2nd-Year Supplemental Adjustments
Sub-object Justification

OPERATIONS - #34120100

REVENUES

44002 Interest on Pooled Cash

This account records interest on pooled cash held for the district by the County Treasurer's Office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	x	Interest Rate	=	Amount
\$266,587	x	0.65%	=	\$1,735

45313 Sale - Water

Rates are set by ordinance and include annual inflationary adjustments. Average usage data and number of active customers are provided annually by Russian River Utility. The calculations are:

	FY 15-16	FY 16-17
Base Rate x 345 connections x 12 months	\$200,456	\$204,465
345 connections x \$8.15 /1,000 gallons x 4387 gallons average use x 12 months	\$148,076	\$151,037
	\$348,532	\$355,503

EXPENDITURES

51071 Maintenance-Bldg & Imp

No major maintenance is expected in FY 16-17. The request is for unexpected repairs or problems that may arise over the course of the year as the system is old and prone to leaks.

51201 Administration Services

This line item reimburses the Roads Division for administrative services provided to the district. There are additional reporting requirements, Prop 218 processes, and other projects, such as the capital project improvement plan development, that need to be performed by TPW staff. In addition, the past two fiscal years have seen actual staff expense higher than the budget appropriations. The increased request includes bringing the level of appropriations to recognize the actual cost of services provided by TPW staff and includes appropriations for staff time to perform additional tasks.

	FY 14-15 Final	FY 15-16 Requested	FY 16-17 Requested
Account Clerks	1,500	2,100	2,500
Department Analyst	24,000	19,800	20,000
Engineer	18,000	9,400	10,500
Deputy Director	1,500	4,700	5,000
	45,000	36,000	38,000

51206 Accounting/Auditing Services

A policy decision was made by the Auditor-Controller stating that the Comprehensive Accounting Financial Report can be

51207 Client Accounting Services

This sub-object covers accounting charges from the County Auditor's office for billings, financial reports and other special services required for special districts. Costs are charged based on actual time spent processing paid claims, state reports and other financial statement review.

	FY 14-15 Adopted	FY 15-16 Requested	FY 16-17 Requested	2nd-Year Adjustments
Client Accounting Services	1,537	3,290	0	3,389

51213 Engineer Services

This sub-object reflects charges for outside engineering services that cannot be performed by County staff. The County engineer that oversees operation and maintenance of the system is included as part of Administration Costs.

	FY 14-15 Final	FY 15-16 Requested	FY 16-17 Requested
Engineering services	600	600	600

51803 Other Contract Services

Contractors are utilized for the maintenance of the water system including monthly reading of water meters, service calls, and door posting for delinquent payments. The current monthly O&M is \$10,785. An estimated 86% of the monthly fee is for the operations and maintenance tasks of the scope of work.

51916 County Services Charges

This account represents account services charges for special districts governed by the Board of Supervisors and are calculated based on the Board's direction to reimburse the Auditor-Controller for 100% of the County Administrator's Office's accounting services costs. Amounts charged to each district could increase and/or decrease based on actual costs of providing services and any changes in the use of services, including the number of claims processed, by each district. In prior years this expense has been a separate line item under Fiscal Accounting Services. With the implementation of the County's new Enterprise Financial System (EFS), the expense has been separated into this new account.

	FY 14-15 Adopted	FY 15-16 Requested	FY 16-17 Requested	2nd-Year Adjustments
County Services Charges	0	1,839	0	1,894

52143 Computer Software/Licensing Fees

Annual maintenance and support fee for the Seimus software package used to download the handheld meter readers.

51249 Other Professional Services

A new amendment to the agreement with Russian River Utility was approved by the Board of Supervisors on February 26, 2013 adding customer service, including preparing monthly billings. An estimated 14% of the monthly fee is for the customer service tasks of the scope of work.

52191 Utilities**52193 Utilities - Electric****52194 Utilities - Water**

Includes water purchased from the City of Healdsburg and PG&E bills for electricity to run pumps for the system, and propane to run emergency generator. The City of Healdsburg approved a 5-year plan to significantly increase water delivery rates to the Fitch Mountain water district. The implementation of these rate increases have been suspended while TPW negotiates with the City. A final resolution has not been reached, but staff anticipates it will require either an amendment to the existing agreement or a new agreement.

53402 Depreciation Expense

This is a non-cash transaction required to comply with generally accepted accounting principles. The depreciation estimate is provided by the Auditor's office.

DEBT SERVICES -- #34120300**Revenues****40003 Direct Charges - CY**

the State loan. Although no change in the total amount due, the budgeted amounts have been broken out by sub-object to more accurately reflect the way the revenues are actually received. The calculation for the amount requested is:

367.6 ESDs x \$323 per ESD	\$118,735
Less 2.7% uncollectable	<u>(\$3,206)</u>
	\$115,529

40202 Direct Charges - PY

This sub-object reflects collection of late charges being paid for the prior FY. The CY charges are adjusted to reflect the fact that some charges are not collected in the correct year.

44002 Interest on Pooled Cash

This account records interest on pooled cash held for the district by the County Treasurer's Office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	x	Interest Rate	=	Amount
\$371,463	x	0.65%	=	\$2,415

Expenditures**51201 Administration Services**

This sub-object appropriates the expense for an administration charge assessed by the County for processing charges on the tax roll.

53103 Interest on LT Debt

The sub-object is for interest appropriations on a \$2,396,160 State Safe Drinking Water loan, which originally was set to mature in 2022. However, staff anticipates that the loan can be defeased in FY 17/18. The amount of the interest (rate = 3.3712%) and principal due each period is from a schedule provided by the State. This account is for interest only.

59002 Advances

59003 Advances Clearing

Administrative control for principal payment on the State Safe Drinking Water loan. Fire & Emergency Services Department paid off its contribution towards the repayment of this loan in FY 13-14. An additional principal payment of \$86,000 was made in FY 14-15 towards the principal balance. As a result, staff anticipates that the loan can be defeased in FY 17/18. The payoff amount is estimated to be \$382,241.72 as shown on the debt schedule for this State loan.

FY 2015-16 / FY 2016-17 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Draft date:
5/26/2016

Name of Fund: CSA #41 FITCH MOUNTAIN WATER - OPERATIONS

Division Title: PUBLIC WORKS - CSA #41 FITCH MOUNTAIN

Department: 34120100
Fund: 45205

Internal Reference Only

	Actual FY 13-14	Actual FY 14-15	Estimated FY 15-16	Requested FY 16-17
Undesignated / Unreserved Beginning Fund Balance Available for Budgeting	153,398	295,972	371,727	385,777
PLUS: Revenues	371,874	321,810	315,826	357,238
LESS: Expenditures	299,519	320,941	376,418	410,849
Adjustments to Reserves / Encumbrances:				
Depreciation	70,219	73,689	73,689	74,000
Unrealized Gains and Losses		1,197	953	
<i>rounding</i>	(1)			
Undesignated / Unreserved Ending Fund Balance Available for Budgeting	295,972	371,727	385,777	406,166
(SURPLUS) / DEFICIT FOR FISCAL YEAR	(72,356)	(869)	60,592	53,611
NET USE OF FUND BALANCE	(142,574)	(75,755)	(14,050)	(20,389)

DETAIL OF FUND BALANCE COMPONENTS	6/30/13	6/30/14	6/30/15	6/30/16
10100 Equity in Pooled Cash	171,235	266,587	362,228	
10105 Petty Cash	100	100	100	
12100 Accounts Receivable	11,677	32,291		
12115 Other Receivables			16,627	
20100 Vouchers Payable	(29,614)		(7,227)	
20300 Accounts Payable		(3,006)	0	
21400 Interest Payable				
23300 Due to Other Governments				
TOTAL	153,398	295,972	371,727	0

FITCH MOUNTAIN OPERATIONS -- #34120100-45205

FY 2015-16 / FY 2016-17 BUDGET

REVENUES		Actuals	Adopted	Actuals	Adopted	Final	Estimated	Adopted
		13-14	Budget 13-14	14-15	Budget 14-15	Budget 15-16	15-16	Budget 16-17
<u>FINES/FORFEITURES/PENALTIES</u>								
43201 Fines, Forfeitures, Penalties		(247)	0	1,889	0	0	0	0
	Subtotal	(247)	0	1,889	0	0	0	0
<u>USE OF MONEY/PROPERTY</u>								
44002 Interest on Pooled Cash		1,205	878	1,936	878	1,735	2,396	1,735
44050 Unrealized Gains and Losses		0	0	(1,197)	0	0	(953)	0
	Subtotal	1,205	878	738	878	1,735	1,443	1,735
<u>CHARGES FOR SERVICES</u>								
46200 Revenue Applicable to PY		(66)	0	0	0	0	0	0
	Subtotal	(66)	0	0	0	0	0	0
<u>MISCELLANEOUS REVENUES</u>								
45313 Sale - Water		370,980	342,219	339,452	342,219	348,552	313,906	355,503
46029 Donations/Contributions		1	0	0	0	0	0	0
46051 Returned Checks		0	0	(144)	0	0	0	0
46200 PY Revenue Miscellaneous		0	0	(20,126)	0	0	477	0
	Subtotal	370,981	342,219	319,182	342,219	348,552	314,383	355,503
TOTAL REVENUES		371,874	343,097	321,810	343,097	350,287	315,826	357,238

FITCH MOUNTAIN OPERATIONS -- #34120100-45205

FY 2015-16 / FY 2016-17 BUDGET

EXPENDITURES		Adopted		Adopted		Final	Adopted	
EFS	EFS	Actuals	Budget	Actuals	Budget	Budget	Estimated	Budget
Account #	Title	13-14	13-14	14-15	14-15	15-16	15-16	16-17
<u>SERVICES AND SUPPLIES</u>								
51071	Maintenance-Bldg & Imp	1,445	15,000	6,319	15,000	15,000	15,000	15,000
51077	Maintenance-Infrastructure	0	15,000	0	0	35,000	35,000	0
51201	Administration Services	26,607	20,000	37,364	45,000	34,161	30,478	38,000
51206	Accounting/Auditing Services	0	0	0	13,000	0	0	0
51207	Client Accounting Services	3,506	7,821	1,951	5,000	3,300	2,473	3,500
51211	Legal Services	57	500	1,752	7,721	5,000	4,102	5,000
51213	Engineer Services	0	600	0	5,000	2,500	0	2,500
51221	Medical/Laboratory Services	364	850	962	850	850	1,271	850
51241	Outside Printing & Binding	0	500	0	300	300	25	300
51244	Permits/License/Fees	2,010	2,500	2,010	2,500	3,500	2,010	3,500
51249	Other Professional Services	14,160	0	17,317	18,000	63,019	28,000	19,600
51301	Publications & Legal Notices	0	75	0	75	75	75	75
51803	Other Contract Services	109,632	129,982	109,763	111,982	153,549	120,833	122,000
51902	Telecommunication Usage	265	250	235	250	250	0	250
51911	Mail Services	0	0	0.86	0	0	53	0
51916	County Service Charges	0	0	2,306	0	1,839	1,839	0
51919	EFS Charges - Claimable	0	0	0	601	0	0	0
52061	Fuel/Gas/Oil	0	0	90	0	0	0	0
52091	Memberships/Certifications	0	150	154	50	150	0	150
52111	Office Supplies	0	2,500	0	500	250	15	250
52117	Mail & Postage Supplies	11	2,000	0	500	250	0	250
52141	Monitor Equipment/Small Tools	0	350	985	350	350	0	350
52143	Computer Software/Licensing Fees	0	1,700	3,519	1,700	1,700	1,889	1,700
52191	Utilities	1,979	120,000	1,172	0	0	1,275	0
52193	Utilities - Electric	0	0	1,896	2,000	2,000	1,798	2,000
52194	Utilities - Water	69,264	0	59,456	118,000	93,000	56,593	118,000
	Subtotal	229,299	319,778	247,252	348,379	416,043	302,729	333,275
<u>OTHER CHARGES</u>								
53402	Depreciation Expense	70,219	70,500	73,689	70,500	84,000	73,689	84,000
54305	Machinery & Equipment	0	0	0	0	0	0	0
	Subtotal	70,219	70,500	73,689	70,500	84,000	73,689	84,000
TOTAL EXPENDITURES		299,519	390,278	320,941	418,879	500,043	376,418	417,275
NET COST (Expenses - Reserves)		(72,356)	47,181	(869)	75,782	149,756	60,592	60,037

FY 2015-16 / FY 2016-17 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Draft date:
5/26/2016

Name of Fund: CSA #41 FITCH MOUNTAIN WATER - CONSTRUCTION

Division Title: PUBLIC WORKS - CSA #41 FITCH MOUNTAIN

Department: 34120200
Fund: 45210

Internal Reference Only

	Actual FY 13-14	Actual FY 14-15	Estimated FY 15-16	Requested FY 16-17
Undesignated / Unreserved Beginning Fund Balance Available for Budgeting	7,250	7,293	7,336	7,368
PLUS: Revenues	43	3	32	48
LESS: Expenditures	0	0	0	0
Adjustments to Reserves / Encumbrances: Unrealized Gains and Losses		40		
<i>rounding</i>				
Undesignated / Unreserved Ending Fund Balance Available for Budgeting	7,293	7,336	7,368	7,416
(SURPLUS) / DEFICIT FOR FISCAL YEAR	(43)	(3)	(32)	(48)
NET USE OF FUND BALANCE	(43)	(43)	(32)	(48)

DETAIL OF FUND BALANCE COMPONENTS	6/30/13	6/30/14	6/30/15	6/30/16
10100 Equity in Pooled Cash	7,250	7,293	7,336	
12100 Accounts Receivable				
12115 Other Receivables				
20100 Vouchers Payable				
20300 Accounts Payable				
21400 Interest Payable				
23300 Due to Other Governments				
TOTAL	7,250	7,293	7,336	0

FITCH MOUNTAIN CONSTRUCTION -- #34120200-45210
FY 2015-16 / FY 2016-17 BUDGET

REVENUES		Actuals	Adopted	Actuals	Adopted	Final	Estimated	Adopted	2nd Year	Requested
		13-14	Budget	14-15	Budget	Budget	15-16	Budget	Adjustments	16-17
			13-14		14-15		15-16		16-17	
USE OF MONEY/PROPERTY										
44002	Interest on Pooled Cash	43	47	43	47	48	51	48	0	48
44050	Unrealized Gains and Losses	0	0	(40)	0	0	(19)	0	0	0
	Subtotal	43	47	3	47	48	32	48	0	48
TOTAL REVENUES		43	47	3	47	48	32	48	0	48

EXPENDITURES		Actuals	Adopted	Actuals	Adopted	Final	Estimated	Adopted	2nd Year	Requested
		13-14	Budget	14-15	Budget	Budget	15-16	Budget	Adjustments	16-17
			13-14		14-15		15-16		16-17	
OTHER CHARGES										
54405	CIP - Bldg & Imp	0	0	0	0	0	0	0	0	0
	Subtotal	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES		0	0	0	0	0	0	0	0	0
NET COST (Expenses - Reserves)		(43)	(47)	(3)	(47)	(48)	(32)	(48)	0	(48)

FY 2015-16 / FY 2016-17 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Draft date:
5/26/2016

Name of Fund: CSA #41 FITCH MOUNTAIN WATER - DEBT SERVICE

Division Title: PUBLIC WORKS - CSA #41 FITCH MOUNTAIN

Department: 34120300
Fund: 45215

Internal Reference Only

	Actual FY 13-14	Actual FY 14-15	Estimated FY 15-16	Requested FY 16-17
Undesignated / Unreserved Beginning Fund Balance				
Available for Budgeting	196,046	273,769	179,281	167,179
PLUS: Revenues	208,736	122,534	115,580	117,944
LESS: Expenditures	32,553	27,112	22,947	25,500
Adjustments to Reserves / Encumbrances:				
Principal Payment	(95,223)	(185,898)	(104,735)	(108,382)
Adjustment to Principle Payment (<i>change in GL205</i>)	(3,237)	(3,296)		
Addl Principal Adjustment caused addl 86,000 principal pmt	0	(2,979)		
Unrealized Gains and Losses		2,265		
<i>rounding</i>	0	(3)		
Undesignated / Unreserved Ending Fund Balance				
Available for Budgeting	273,769	179,281	167,179	151,241
(SURPLUS) / DEFICIT FOR FISCAL YEAR	(176,184)	(95,422)	(92,633)	(92,444)
NET USE OF FUND BALANCE	(77,723)	94,489	12,102	15,938

DETAIL OF FUND BALANCE COMPONENTS	6/30/13	6/30/14	6/30/15	6/30/16
10100 Equity in Pooled Cash	290,243	371,463	285,427	
12100 Accounts Receivable				
12115 Other Receivables	9,335	8,269	4,522	
20100 Vouchers Payable				
20300 Accounts Payable				
21400 Interest Payable	(8,309)	(7,504)	(5,933)	
23300 Due to Other Governments	(95,223)	(98,460)	(104,735)	
TOTAL	196,046	273,768	179,281	0

FITCH MOUNTAIN DEBT SERVICE -- #34120300-45215

FY 2015-16 / FY 2016-17 BUDGET

REVENUES	Actuals 13-14	Adopted Budget 13-14	Actuals 14-15	Adopted Budget 14-15	Final Budget 15-16	Estimated 15-16	Adopted Budget 16-17
<u>FINES/FORFEITURES/PENALTIES</u>							
40003 Direct Charges - CY	114,305	115,529	115,144	115,529	115,529	116,179	115,529
40050 Property Tax Accrual	(1,729)	0	(6,394)	0	0	(3,516)	0
40202 Direct Charges - PY	6,159	0	9,985	0	0	1,100	0
40999 Penalties & Costs on Taxes	1,669	0	3,654	0	0	0	0
Subtotal	120,404	115,529	122,389	115,529	115,529	113,763	115,529
<u>INTERGOVERNMENTAL REVENUES</u>							
42627 Special Districts	86,000	86,000	0	86,000	0	0	0
Subtotal	86,000	86,000	0	86,000	0	0	0
<u>USE OF MONEY/PROPERTY</u>							
44002 Interest on Pooled Cash	2,331	1,684	2,408	1,684	2,415	2,546	2,415
44050 Unrealized Gains and Losses	0	0	(2,265)	0	0	(729)	0
Subtotal	2,331	1,684	144	1,684	2,415	1,817	2,415
TOTAL REVENUES	208,736	203,214	122,534	203,214	117,944	115,580	117,944

EXPENDITURES	Actuals 13-14	Adopted Budget 13-14	Actuals 14-15	Adopted Budget 14-15	Final Budget 15-16	Estimated 15-16	Adopted Budget 16-17
<u>SERVICES AND SUPPLIES</u>							
51201 Administration Services	1,007	1,500	1,007	1,500	1,500	1,007	1,500
Subtotal	1,007	1,500	1,007	1,500	1,500	1,007	1,500
<u>OTHER CHARGES</u>							
53103 Interest on LT Debt	31,546	35,610	26,105	35,610	28,000	21,940	24,000
Subtotal	31,546	35,610	26,105	35,610	28,000	21,940	24,000
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>							
59002 Advances	95,223	116,364	185,898	202,364	105,000	104,735	108,382
59003 Advances Clearing	(95,223)	(116,364)	(185,898)	(202,364)	(105,000)	(104,735)	(108,382)
Subtotal	0	0	0	0	0	0	0
TOTAL EXPENDITURES	32,553	37,110	27,112	37,110	29,500	22,947	25,500

NET COST (Expenses - Reserves)	(176,184)	(166,104)	(95,422)	(166,104)	(88,444)	(92,633)	(92,444)
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FY 2015-16 / FY 2016-17 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Draft date:
5/26/2016

Name of Fund: CSA #41 FITCH MOUNTAIN WATER - RESERVE

Division Title: PUBLIC WORKS - CSA #41 FITCH MOUNTAIN

Department: 34120400
Fund: 45220

Internal Reference Only

	Actual FY 13-14	Actual FY 14-15	Estimated FY 15-16	Requested FY 16-17
Undesignated / Unreserved Beginning Fund Balance Available for Budgeting	127,574	127,574	127,574	127,574
PLUS: Revenues	0	(702)	0	0
LESS: Expenditures	0	0	0	0
Adjustments to Reserves / Encumbrances: Due from Other Government Principal Payment Unrealized Gains and Losses <i>rounding</i>		702		
Undesignated / Unreserved Ending Fund Balance Available for Budgeting	127,574	127,574	127,574	127,574
(SURPLUS) / DEFICIT FOR FISCAL YEAR	0	702	0	0
NET USE OF FUND BALANCE	0	0	0	0

DETAIL OF FUND BALANCE COMPONENTS	6/30/13	6/30/14	6/30/15	6/30/16
10100 Equity in Pooled Cash	127,574	127,574	127,574	
12100 Accounts Receivable	0	0		
12115 Other Receivables	0	0		
20100 Vouchers Payable	0	0		
20300 Accounts Payable	0	0		
21400 Interest Payable	0	0		
23300 Due to Other Governments	0	0		
TOTAL	127,574	127,574	127,574	0

FITCH MOUNTAIN WATER DISTRICT SUMMARY
FY 2015-16 / FY 2016-17 BUDGET

EXPENDITURES	Actuals 13-14	Adopted Budget 13-14	Actuals 14-15	Adopted Budget 14-15	Final Budget 15-16	Estimated 15-16	Adopted Budget 16-17	2nd Year Adjustments	Requested 16-17
TOTAL REVENUES	580,653	546,358	444,347	546,358	468,279	431,438	475,231	0	475,231
TOTAL EXPENDITURES	332,071	427,388	348,052	455,989	529,543	399,365	442,775	(6,426)	436,349
NET COST (Expenses - Reserves)	(248,582)	(118,970)	(96,294)	(90,369)	61,264	(32,073)	(32,456)	(6,426)	(38,882)